

# INSTRUCTIONS

## 1851 PACKAGE

Package revised 1-1-04

**Scope:** *These instructions are intended for contractors and their subcontractors performing **trades and labor** work not covered by one of the Project Agreements. See “How to Select Wage Packages.”*

### **I. GENERAL PROVISIONS THAT APPLY TO ALL CONTRACTORS AND THEIR SUBCONTRACTORS**

- **Weekly Statement of Payroll Compliance**

All contractors and their subcontractors are required to complete and submit a Weekly Statement of Payroll Compliance (form TVA 916). This form must be submitted weekly, without exception, in compliance with Part 3 (29 CFR Subtitle A). Each contractor and subcontractor is reminded, as required by the above CFR, to preserve this weekly statement, along with payroll records for a period of three years from the date of completion of this contract. The contractor and subcontractor are reminded that they must be prepared to submit these payroll records upon request of representatives of TVA.

- **Contractor Security System**

Contractors are required to check **all** of their employees and **all** employees of their subcontractors, regardless of position or classification, with TVA's security unit before permitting them to work on TVA worksites. This requirement is limited to contracts expected to last more than seven days. The Registration Form in this package is used to initiate the assignment of a vendor code and PIN to access the system.

Upon accepting a contractor employee for unescorted access, TVA may provide a site ID, photo ID card, and/or an access control card for the individual. All ID and access cards remain TVA property and each must be returned to TVA by the Contractor immediately when the contractor employee no longer requires unescorted access--no later than completion of the work. Failure to return the cards will cause TVA to incur increased security vulnerability and administration expenses. Contractor therefore agrees, for each unreturned card, to reimburse TVA as liquidated damages in the amount of \$30 per photo ID and \$35 per access control card. TVA may also make Contractor Security System database entries for individuals whose cards are not returned.

- **Required Training – 10-Hour OSHA Training Course**

Effective September 1, 2004, every trades and labor person employed by any contractor or subcontractor performing TVA work on TVA properties will be required to have successfully completed a 10-hour OSHA training course prior to beginning work. All such persons will be required to present evidence that they have completed this training prior to their assignment to perform TVA work.

- **TVA 1851**

This document is self-explanatory and establishes requirements on each contractor regarding such subjects as wages, classifications, work schedules, payroll records, benefits, and labor cost adjustments.

### **II. EXHIBIT A - WAGE SCHEDULE IS TO BE INCLUDED IF THE CONTRACTOR'S OR SUBCONTRACTOR'S WORK IS EITHER:**

- **Construction at a new or existing plant site directly related to the construction of new generating capacity or transmission construction and/or**
- **Maintenance, renovation, modification, addition, and or/repair to existing plants and transmission facilities**

- **Exhibit A - Wage Schedule**

The wages and fringe payments listed in this document are the total of payments that should be made for each classification, except that monies within the wage package can be moved between wages and fringes so long as the total of the wage package remains the same. Each contractor and its subcontractors are required to post a copy of this wage schedule at each job site for all of their trades and labor employees. This wage schedule should be posted in a visible location (bulletin boards, etc.) where employees pass by not less than once per month.

**III. EXHIBIT S-1 - WAGE SCHEDULE IS TO BE INCLUDED IF THE CONTRACTOR'S OR SUBCONTRACTOR'S WORK IS:**

- **Construction, maintenance, modification, or addition to office buildings or facilities**

• **Exhibit S-1 - Wage Schedule**

The wages and fringe payments listed in this document are the total of payments that should be made for each classification, except that monies within the wage package may be moved between wages and fringes so long as the total of the wage package remains the same. Each contractor and its subcontractors are required to post a copy of this wage schedule at each job site for all of their trades and labor employees. This wage schedule should be posted in a visible location (bulletin boards, etc.) where employees pass by not less than once per month.

### WEEKLY STATEMENT OF PAYROLL COMPLIANCE

Contractor's Name \_\_\_\_\_ Contract No. \_\_\_\_\_

Subcontractor's Name \_\_\_\_\_ Release No. \_\_\_\_\_

Payroll week commencing on the \_\_\_\_ day of \_\_\_\_\_ 20\_\_ and ending on the \_\_\_\_ day of \_\_\_\_\_ 20\_\_

---

*Instructions to Contractor/Subcontractor*

1. The Weekly Statement of Compliance must be filled out by the contractor or subcontractor named above or by his/her authorized representative.
  2. The original Weekly Statement of Compliance must be submitted within seven days after the regular payment date of the payroll period identified above to TVA's Contract Officer.
- 

I do hereby state:

- (1) That I pay or supervise the payment of the persons employed by the above-named contractor or subcontractor for the payroll period identified above and that all persons employed on said project have been paid the full weekly wages earned, that no rebates have been or will be made directly or indirectly to or on behalf of the above-named contractor or subcontractor from the full weekly wages earned by any person, and that no deductions have been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part 3 (29 CFR Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948; 63 Stat. 108; 72 Stat. 967; 76 Stat. 357; 40 U.S.C. 276c). I understand that TVA may require payrolls to be submitted at any time, and agree to provide them with this statement, if requested by TVA. If not requested at the time of this statement, I agree to provide such payrolls within three business days after TVA requests them.
- (2) That any payrolls otherwise under this contract required to be maintained for the above period have been prepared and are correct and complete and provide detailed payroll information on each employee as required by the Copeland Act regulations (29 C.F.R. §§ 3.3 - 3.4 (1994); that the wage rates for laborers or mechanics contained therein are not less than the applicable wage rates contained in any wage determination incorporated into the contract; that the classifications set forth therein for each laborer or mechanic conform with the work the employee performed and with those classifications listed in any applicable classification determination incorporated into the contract.
- (3) That:
  - (a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS  
☐ In addition to the basic hourly wage rates paid to each laborer or mechanic listed in the above-referenced payroll, payments of fringe benefits as listed in the contract have been or will be made to appropriate programs for the benefit of such employees, except as noted in Section 3(b) below. Where such plans, funds, or programs do not exist, an amount equal to the fringe benefit contribution will be paid in wages to each laborer or mechanic listed in the above-referenced payroll.
  - (b) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION

WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS OR OF PAYROLL DOCUMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 3729 OF TITLE 31 OF THE UNITED STATES CODE.

SIGNED \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
Contractor/Subcontractor

#### **REMINDER**

**THIS WEEKLY STATEMENT OF COMPLIANCE, ALONG WITH OTHER EMPLOYEE PAYROLL RECORDS, MUST BE RETAINED BY THE CONTRACTOR OR SUBCONTRACTOR FOR THREE YEARS IN ACCORDANCE WITH FEDERAL REGULATIONS**

*Distribution: TVA's Contract Officer (This TVA Contract Officer is also to maintain these weekly statements for 3 years from date of completion of this contract.)*

## **CONTRACTOR SECURITY SYSTEM**

(To be placed in trades and labor contracts  
expected to last more than seven days.)

### **INSTRUCTION SHEET**

The Contractor Security System requires contractors to call into TVA via an Interactive Voice Response (IVR) 1-800 number to obtain suitability for their employees to have access to TVA facilities. Use of this system will assist in eliminating the potential of unsuitable personnel being placed at a TVA work location before proper clearance has occurred.

### **CONTRACTOR RESPONSIBILITIES**

1. All Contractors are required to clear all of their employees and all employees of their subcontractors through TVA's Contractor Security System via the IVR.

2. Designating a Company Representative to Access and Operate the System

The contractor must assign the functions required to access the IVR System to a representative of their company. This representative then becomes responsible for keeping secure their vendor code number and personal identification number (PIN).

3. To Register and to be Assigned Contractor Access Number

Immediately upon award of contract, to initiate the contractor security system requirements and to be assigned a vendor code and PIN, the information contained on the Registration Form must be provided. This information is to be provided to TVA's Employee Service Center (ESC) at 400 West Summit Hill Drive, WT CP, Knoxville, Tennessee 37902. The contractor may call the ESC at 1-888-275-8094. (**To short-cut the system:** When the IVR equipment asks its first question, "*If you are calling from a touch-tone phone, press 1,*" do not press 1, but stay on the line instead, and an ESC representative will come on the line to assist you.) Or, you may fax the Registration Form to 1-888-633-0372. If the contractor already has an active vendor code and PIN for this system from a previous contract, it is not necessary to be issued another set of numbers. The contractor is required to check all employees through this system regardless of the number of contracts held.

4. Each Contractor is also Responsible for its Subcontractor Personnel

The representative in Item 2 above is responsible for accessing the IVR System for both the employees of the contractor and the employees of the subcontractor(s). However, if the contractor prefers that their subcontractors be authorized and responsible to access this system for their employees, the contractor may request this approval by calling TVA's Labor Relations Staff at (865) 632-7701.

5. Contractors' Access to the Security (IVR) System

Dial: **1-800-796-9628** (toll free) or  
**632-3409** (within TVA phone system)

<b>The system is to <u>only</u> be accessed by an authorized representative of the contractor.</b>
--

Your clearance to access employment suitability information through the IVR system is controlled through both a vendor code and PIN. You must have both numbers to access the system. PIN numbers will be reissued at 6-month intervals. You will be notified by FAX one week prior to your PIN expiration date with a new PIN.

The IVR system will lead you through a series of voice prompts to check clearance on contractor employees. You will be required to enter your vendor code and your PIN to access information regarding employee clearance. If either code is incorrect, you will be denied access to the system.

Once you have entered the correct vendor code and PIN, the system asks you to enter the social security number (SSN) for each employee of the contractor or subcontractor seeking access to TVA property/work sites. Once you enter the SSN, the system will respond according to restrictions or nonrestrictions on the employee and advise you how to proceed. The attached TVA Contractor Worksheet is not a necessary form as it is provided as a worksheet for the contractor for convenience when using the system.

If you have problems with the system or need vendor code or PIN information, you should call the Employee Service Center at 1-888-275-8094.

#### **TVA Has Two Separate Security Units**

TVA has two separate security units (nuclear and nonnuclear). If an individual is denied clearance, you may be directed to contact either unit depending on whether the contract is with a TVA nuclear or nonnuclear organization. If it is necessary to call a security office after your IVR inquiry, only the authorized contractor representative may call:

Nuclear: 423-751-7923  
Nonnuclear: 865-632-7703

#### **Information to be Furnished to Individual that is Denied Access**

Individuals should not be given or call the above numbers to inquire on their status. They may inquire in writing to the appropriate office indicated below (SSN, date of birth, and current address must be included for response):

Nuclear  
Manager, Nuclear Security  
1101 Market St., EB 10B  
Chattanooga, TN 37402

Nonnuclear  
Manager, Personnel Security  
400 West Summit Hill Drive, WT 3D  
Knoxville, TN 37902-1401

All information contained in this system is considered sensitive information and should be treated as such. Please ensure that access to this system is limited to specifically authorized representatives of the contractor with need-to-know requirements.

### **6. Responsibilities of Contractor to Furnish Information to System**

#### **Nuclear Contractors**

For nuclear contractors who are discharged or resign from the contractor or subcontractor while working at a TVA Nuclear site, the contractor representative should immediately notify the applicable nuclear site Plant Access office. Plant Access will enter a work restriction into the system during the "check out" process.

#### **Nonnuclear Contractors**

For employees who are discharged or resign from the contractor or subcontractor while working at any nonnuclear TVA site, the contractor representative should immediately FAX the attached transmittal titled Contractor Report of Discharges or Resignations to TVA's Personnel Suitability and Clearance office. This will ensure that work restrictions are entered into the system.

## REGISTRATION FORM

### TVA CONTRACTOR SECURITY SYSTEM

Immediately upon award of contract, to initiate the TVA Contractor Security System requirements and to be assigned a vendor code and personal identification number (PIN) number, this completed form or the information contained on the form must be provided to TVA's Employee Service Center (ESC) at 400 West Summit Hill Drive, WT CP, Knoxville, Tennessee 37902 or the contractor may call the ESC at 1-888-275-8094. **(To short-cut the system:** When the IVR equipment asks its first question, "*If you are calling from a touch-tone phone, press 1,*" do not press 1, but stay on the line instead, and an ESC representative will come on the line to assist you.) Or, fax this form to 1-888-633-0372. If the contractor has an active vendor code and PIN for this system from a previous contract, it is not necessary to be issued another set of numbers; however, the contractor is required to check all employees through this system regardless of the number of their contracts held.

---

NAME OF CONTRACTOR COMPANY

---

TVA CONTRACT NUMBER

Name, address, phone, fax, and E-mail address (if established) of contractor representative designated the responsibility to keep the contractor vendor and PIN numbers secure and to administer this security system:

---

(Contractor Representative Name)

---

(Contractor Representative Address)

---

(Contractor Representative Phone Number)

---

(Contractor Representative Fax Number)

---

(Contractor Representative E-Mail Address--if established)

**NOTE:** *The contractor representative identified above is responsible to keep these numbers secure and to assign the person employed by the contractor responsible for operating the system. The PIN will be revised every 6 months for security reasons, and the contractor representative listed above will be so notified. TVA will audit the contractor's compliance with this system.*

---

#### CERTIFICATION

As the above-designated Contractor Representative, I certify that I have received or applied for a Vendor Code and PIN and that I understand the requirement for my company and all subcontractors to comply with TVA's Contractor Security System.

---

Signature of Contractor Representative

---

Date

**Note:** *The Contractor Representative is to provide a completed copy of this document to their TVA Contract Manager.*

**SENSITIVE INFORMATION**

Date \_\_\_\_\_

**TVA CONTRACTOR WORKSHEET**

(To be utilized when clearing contractor employees [or potential employees] that are to have access to TVA worksites)

To access TVA/Contractor Security System  
(touch-tone phone required): 1-800-796-9628

or:

Within TVA Phone System: 632-3409

**Be prepared to provide:**

1. Vendor Code #    \_\_\_ \_ \_ \_ \_
2. Pin #               \_\_\_ \_ \_ \_ \_
3. Provide the social security number and name of each individual seeking clearance. (The system will provide the other information.)

SSN	Name (optional)	Restricted Until (date) <sup>1</sup>	No Known TVA Restriction	Restricted —Not Eligible	Contact TVA Security <sup>2</sup>

- 1 Contractor employees eligibility to perform TVA work on site may be subject to satisfactory drug test as determined by TVA.
- 2 TVA has 2 separate security units (nuclear and nonnuclear). You may be directed to contact either unit, depending on location of work. If it is necessary to call either unit after your interactive voice response inquiry, the authorized representative of the contractor only may call:

For Contractor Use Only:    Nuclear 423-751-7923  
  Nonnuclear 865-632-7703

**NOTE:** TVA's contractor employee security system does not replace a contractor's practice or obligation to administer their own employment security screening program.

**NOTE:** Individuals ineligible to work at a TVA site or facility may inquire as to their individual status by writing to the appropriate office indicated below (SSN and a current address must be included for a response):

Nuclear  
Manager, Nuclear Security  
1101 Market St., EB 10B  
Chattanooga, TN 37402

Nonnuclear  
Manager, Personnel Security  
400 West Summit Hill Drive, WT 3D  
Knoxville, TN 37902-1401

**SENSITIVE INFORMATION**

**SENSITIVE INFORMATION**

**Contractor Report of Discharges or Resignations**  
**\*\* For Nonnuclear Contractors Only \*\***

**TO:** PERSONNEL SUITABILITY AND CLEARANCE

**DATE:** \_\_\_\_\_

**FAX #:** (865) 632-4545 **PHONE #:** (865) 632-7703

**FROM:** Company Name: \_\_\_\_\_  
Company Contact Name: \_\_\_\_\_  
Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

**TVA Contractor Personnel Actions**

1. Name: \_\_\_\_\_ SSN: \_\_\_\_\_  
Craft (i.e., IBEW, Boilermakers, etc.): \_\_\_\_\_  
Project/Site (i.e., Gallatin, Colbert, etc.): \_\_\_\_\_  
Resignation Date: \_\_\_\_\_ or Discharge Date: \_\_\_\_\_ Discharge Code: \_\_\_\_\_  
Describe Reason for Discharge: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Name: \_\_\_\_\_ SSN: \_\_\_\_\_  
Craft (i.e., IBEW, Boilermakers, etc.): \_\_\_\_\_  
Project/Site (i.e., Gallatin, Colbert, etc.): \_\_\_\_\_  
Resignation Date: \_\_\_\_\_ or Discharge Date: \_\_\_\_\_ Discharge Code: \_\_\_\_\_  
Describe Reason for Discharge: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Name: \_\_\_\_\_ SSN: \_\_\_\_\_  
Craft (i.e., IBEW, Boilermakers, etc.): \_\_\_\_\_  
Project/Site (i.e., Gallatin, Colbert, etc.): \_\_\_\_\_  
Resignation Date: \_\_\_\_\_ or Discharge Date: \_\_\_\_\_ Discharge Code: \_\_\_\_\_  
Describe Reason for Discharge: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**DISCHARGE CODES (reasons for discharge)**

- |  |   |                        |
|--|---|------------------------|
| P1 • First positive drug/alcohol test    | M1 • Misconduct (includes sleeping on the job, possession of drugs/alcohol/ weapons, falsification of records, insubordination, etc.) | S1 • Safety violations |
| P2 • Second positive drug/alcohol test   |   | O1 • other (explain)   |
| T1 • Theft/fraud (provide documentation) |   |                        |
| V1 • Violence (provide documentation)    |   |                        |
| A1 • Absenteeism                         | C1 • Criminal history   |                        |

**SENSITIVE INFORMATION**



# **TVA 1851**

## **LABOR PROVISIONS**

### **Prevailing Wage Rate**

The contractor is required to pay, and to ensure that each subcontractor pays, not less than the prevailing rate of wages for work of a similar nature prevailing in the vicinity to all laborers and mechanics performing work under this contract. TVA's determination of prevailing rates of wages and fringe benefits are listed in either Exhibit A - Wage Schedule or Exhibit S-1 - Wage Schedule which may be modified by TVA or otherwise modified in accordance with this contract from time to time. The contractor is required to post the appropriate wage schedule in a prominent location at each job site where employees pass by not less than once per month. (*Note: Wage rates are normally reexamined by TVA annually, and revisions in the wage scale usually become effective near the beginning of each calendar year. Exhibit A - Wage Schedule covers construction of new generation capacity or transmission facilities, or maintenance and modification of existing generating plants or transmission facilities. Exhibit S-1 - Wage Schedule covers construction, maintenance, modification, or additions to offices, other buildings, or facilities. Questions regarding application of these exhibits should be directed to your Contract Officer.*)

### **Covered Work**

The term "employee" used throughout this document applies only to persons employed to perform laborer or mechanic-type work, commonly referred to as trades and labor (blue-collar) work.

This document applies to TVA work performed by contractors or subcontractors of any tier on real property in possession or control of TVA. This document also applies to the following work performed by contractors or subcontractors on any tier: roadside production of material; all hauling of material from roadside quarries and pits, from railroad or water delivery points, or from local sources of production to the site of the work; and concrete proportioning plants; from which material is used wholly on this contract or on contracts under the supervision of TVA.

### **Apprenticeship Classifications**

The apprentice classifications and rates listed in the appropriate wage schedule of this document may be applied only to persons who are duly registered in a bona fide apprenticeship program that is (1) registered with a state apprenticeship agency recognized by the United States Department of Labor; (2) registered with the Bureau of Apprenticeship and Training, United States Department of Labor; or (3) an otherwise bona fide apprenticeship program as determined by the contracting officer, whose decision on this issue shall be final. TVA reserves the right to request a copy of and to review the contractor's apprenticeship program to ensure that it is in fact a bona fide program that provides a clear program to teach journeyman skills to unskilled workers.

### **Classifications and Rates of Pay**

Classifications not contained in the wage schedule with this document shall not be used by the contractor without advance permission of the contracting officer. Any question as to the correct classification, rates, and benefits which apply to individual employees of the contractor will be determined by the contracting officer, whose decision shall be final and conclusive in the absence of a decision by the Secretary of Labor. If any dispute arises as to the prevailing rates of wages, the question shall be referred for determination to the Secretary of Labor, whose decision shall be final. In the

absence of a decision of the Secretary of Labor, the prevailing rates of wages for the different classifications set out in the wage schedule with this document (as it may be modified by TVA from time to time) shall be considered by all parties to be the minimum rates of wages that shall be paid by the contractor for the work performed under this contract.

No individual shall be employed as a skilled or unskilled laborer on this contract except on a wage basis. This should not be construed to prohibit the subcontracting of work or the rental of trucks or other equipment if this is otherwise permitted under this contract. Any individuals employed to perform work under such subcontracts or rental agreements will be paid on a wage basis in accordance with the provisions of the contract. No charge for food, gasoline, supplies, repairs, or equipment rental shall cause any deduction from the minimum amounts due to be paid to an individual performing work under this contract.

The hourly rates shown in the wage schedule with this document are for straight-time work.

A contractor or subcontractor may discharge its minimum wage obligations for the payment of specified straight-time wages and fringe benefits by paying in cash, making payments or incurring costs for fringe benefits contained in the wage schedule with this document, or by a combination thereof, provided overtime is based on the straight-time base rate as set out in the paragraph entitled "Overtime Compensation Provisions."

### **Multiple Shifts**

When more than one shift is worked, employees on the first shift work 8 hours and are paid for 8 hours; employees on the second shift receive 8 hours' pay for 7-1/2 hours worked; employees on the third shift receive 8 hours' pay for 7 hours worked. The hours worked are exclusive of lunch periods. With approval of the TVA jobsite representative, straight-time shifts for more than 8-hour periods may be scheduled but for no less than 3 consecutive workdays. On those occasions, the last hour of second or third shifts is paid but not worked. Employees will be given 48 hours' notice prior to a change in their straight-time shift schedule.

### **Overtime**

This contract requires the contractor or subcontractor to pay overtime rates of pay to employees for all hours worked in excess of 40 hours in any workweek. The overtime rate of pay is not less than 1-1/2 times the straight-time rate of pay for all hours over 40 in a workweek.

The overtime rate is 2 times the straight-time rate of pay for all hours worked on the employee's seventh day; on the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day; and if an employee is required to work for more than 16 hours without a nonwork period of at least 6 continuous hours. If any of the listed holidays fall on a Sunday, the following day is regarded as the official holiday.

If any hours worked fulfill the conditions for 2 or more overtime rates, only the higher overtime rate applies.

The contractor and any subcontractor responsible for violating the compensation provisions shall be liable to any affected employee for the employee's unpaid wages plus interest thereon from the date such wages should have been paid until they are paid at the rate prescribed for contractor claims under the Contract Disputes Act. The contracting officer may withhold, or cause to be withheld, from any monies due the contractor and/or subcontractor the full amount of wages required by this contract, plus interest as provided herein, and may distribute such withheld monies directly to employees who have not been paid in accordance with these provisions.

The payment of wages shall be by cash, negotiable instruments payable on demand, or the additional forms of compensation for which deductions are permissible as referenced in the paragraph entitled "Payroll Deductions."

### **Labor Payroll Records**

For contracts over \$2,000 for the construction, alteration, repair, painting, or decoration of public buildings or works, the Secretary of Labor prescribes regulations (detailed in Part 3, Title 29, Code of Federal Regulations) covering persons employed to perform trades and labor (blue-collar) work. In accordance with these regulations, the contractor and each subcontractor shall preserve its weekly payroll records for a period of 3 years from the date of completion of the contract. The payroll records shall accurately and completely show the name, social security number, and address of each employee; the employee's correct classification, rate of pay, daily and weekly number of hours worked, deductions made, and actual wages paid; and any other information required by the regulations. Upon request, the contractor shall furnish, in paper or electronic form, weekly payroll records of contractors and subcontractors for inspection on a weekly or as-requested basis to the designated TVA jobsite representative, the contracting officer, other authorized representatives of TVA, or the Department of Labor.

### **Weekly Statement of Compliance**

In accordance with Part 3, Title 29, Code of Federal Regulations, within seven days after the regular payment date of each payroll period, the contractor and each subcontractor is required to furnish to TVA's Contracting Officer a Weekly Statement of Compliance (form TVA 916). The Weekly Statement of Compliance shall certify that (1) the contractor or subcontractor has paid each of its employees engaged in work covered by this contract the full weekly wages earned as shown on the payroll; (2) no rebates have been or will be made either directly or indirectly to or on behalf of the contractor or subcontractor from the full weekly wages earned as shown on the payroll; and (3) no deductions (other than the permissible deductions defined in Part 3, Title 29, Code of Federal Regulations) have been or will be made either directly or indirectly from the full weekly wages earned as shown on the payroll. This statement shall be signed by the contractor or subcontractor or by an authorized officer or employee of the contractor or subcontractor who supervises the payment of wages. The contractor shall include appropriate provisions in all subcontracts to ensure fulfillment of these requirements.

The willful falsification of any payrolls and statements may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 3729 of Title 31 of the United States Code.

### **Payroll Deductions**

Refer to Part 3, Title 29, Code of Federal Regulations, for detailed definitions of the payroll deductions which are (1) permissible without application to or approval of the Secretary of Labor or (2) permissible with the approval of the Secretary of Labor. Also defined are the requirements for making application for the approval of the Secretary of Labor.

### **Fees**

No fee of any kind shall be asked or accepted by the contractor or any of its agents from any person who obtains work on the project, nor shall any person be required to pay any fee to any person or agency obtaining employment for the contractor on the project.

## **Fringe Benefits**

In no event will the contractor or subcontractor recapture all or any part of the fringe benefit contributions paid directly to an employee or paid into any fund or in any way divert such contributions to the contractor's or subcontractor's own use or benefit.

## **Labor Cost Adjustment**

Wage schedules (hereinafter referred to as "TVA wage document") are usually revised around the first of each calendar year to reflect changes in the prevailing rates of wages and related benefits. If any revisions are made by TVA which are applicable to the TVA wage document attached to this contract between the date of the contractor's offer and the date stipulated for completion of the contract, or any extension thereof authorized by TVA in accordance with the Delays and Remedies provision, the appropriate adjustment, increase or decrease, in the amount TVA is required to pay the contractor for field labor shall be made by TVA to reflect the revisions of the various wage classification rates as follows:

- (a) For each classification actually used in work on the contract and with respect to which a revision is made in the wage rate or related benefits listed in the TVA wage document, the number of hours worked during the period in which such revision is effective shall be determined from the certified payrolls maintained by the contractor or its subcontractor; and the increase or decrease in the respective wage rate or benefit shall be applied to this number of hours. Such increases or decreases shall include adjustments for FICA, unemployment insurance, and workers' compensation insurance which correspond to revisions of the TVA wage document; and such adjustments shall be assessed on the basis of changes in individual pay and not as a percentage of the contractor's total payroll. The contractor shall submit (1) labor cost adjustment billings to the Accounts Payable Department and (2) the Weekly Statement of Compliance (form TVA 916) to TVA's Contracting Officer. The contract price shall be adjusted based on the total net increase or decrease resulting from all such changes under the various classifications in the wage document. This labor cost adjustment shall be made regardless of the level of wage rates and other benefits actually paid by the contractor or subcontractor, either before or during the period of work under this contract.
- (b) Any revisions made in the TVA wage document which are not made applicable to this contract shall not give rise to any adjustment under this provision.
- (c) This provision is applicable only to work which is subject to the TVA wage document, and this provision is in lieu of all other adjustments for changes in the cost of such work.
- (d) In the event the contracting officer orders changes in the drawings or specifications, extra work, or other changes in the contract which result in a change in the field labor performed on a TVA jobsite and a change in the contract price is provided, such changes to the contract price shall be subject to field labor cost adjustment as provided herein. Since this cost adjustment will apply and will be calculated from the TVA wage document which was part of the original contract, the contractor's quotation for a change which involves any increase in the field labor shall be reduced to reflect any amount of cost adjustment the contractor will be entitled to under this provision.
- (e) Billing of adjustments under this provision shall be made at least every month.
- (f) TVA shall have the right to audit, without restrictions, the supporting data for all labor cost adjustment billings, and any payments to the contractor which are not supported by the contractor's books, records, documents, or other valid evidence shall be refunded to TVA.

### **Miscellaneous**

No skilled or unskilled labor shall be charged for any tools used in performing the employee's respective duties.

Every employee on the work covered by this contract shall be permitted to lodge, board, and trade where and with whom the employee elects; and neither the contractor nor its agents, nor its employees shall directly or indirectly require as a condition of employment that an employee shall lodge, board, or trade at a particular place or with a particular person.

No charge shall be made for any transportation furnished by the contractor or its agents to any person employed on the work.

# Exhibit A - WAGE SCHEDULE

## for Project Agreements and 1851s

Effective First Pay Period Beginning After January 1, 2004

**Scope of work covered:** This document identifies the total wage package (wages plus fringe benefit contributions) to be paid to the employees of contractors performing construction, maintenance, and modification work for TVA under either the Construction Project Agreement (Exh. A), Project Maintenance and Modification Agreement (Exh. A), or 1851 (Exh. A).

**Notice to Employees:** If you do not receive at least the total of the amounts of pay provided in this document, you should contact your supervisor or your payroll office. If these individuals are unavailable, you may write to TVA's Labor Relations Staff, 400 West Summit Hill Drive (ET 6D), Knoxville, Tennessee 37902-1499, where the matter will be held in confidence.

### **Asbestos Workers**

(Asbestos work includes insulation)

Asbestos Abatement Worker	14.40
Asbestos Abatement Worker Foreman	15.84
Asbestos Worker	20.57
Asbestos Worker Foreman	22.63
Asbestos Worker Head Foreman	24.89
Asbestos Worker Subjourneyman	12.34 <sup>2</sup>

Health and Welfare Fund	4.26 <sup>1</sup>
Pension Fund	3.16 <sup>1</sup>

### **Boilermakers**

Blacksmith/Boilermaker	26.10
Blacksmith/Boilermaker Welder	26.10
Boilermaker Certified Pressure Welder	26.85 <sup>3</sup>
Boilermaker Assistant Foreman	28.71
Boilermaker Foreman	28.96
Boilermaker Erector	31.86
Boilermaker Subjourneyman <sup>2</sup> (for wage and fringe rates, see Endnote 10)	
Boilermaker Trainee I	18.27
Boilermaker Trainee II	20.88

Health and Welfare Fund	5.77 <sup>1</sup>
Pension Fund (for each hour paid)	5.00 <sup>1</sup>
Annuity (for each hour paid)	1.50 <sup>1</sup>

(For apprentice health and welfare, pension, and annuity, see page 7.)  
(For possible application of MOST Program, see Endnote 11.)

### **Bricklayers**

Bricklayer	22.19
Bricklayer Foreman	24.41
Bricklayer Head Foreman	26.85
Bricklayer Improver	13.31 <sup>2</sup>
Marble Setter	21.44

### **Bricklayers (continued)**

Stone Mason	22.19
Terrazzo Worker	21.44
Tile Setter	21.44

Pension Fund	1.39 <sup>1</sup>
--------------	-------------------

### **Carpenters**

Carpenter	18.99
Carpenter Foreman	20.89
Carpenter Head Foreman	22.98
Carpenter Trans. Foreman Specialist	24.48
Carpenter Welder	18.99
Lather (tie-on installation)	18.99
Lather Foreman	20.89
Millwright	21.62
Millwright Foreman	23.78
Millwright Head Foreman	26.16
Millwright Welder	21.62
Pile Driver	19.24
Pile Driver Foreman	21.16
Pile Driver Welder	19.24
Saw Filer	18.99
Sawyer	18.99

Health and Welfare Fund	2.95 <sup>1</sup>
Pension Fund	1.55 <sup>1</sup>

### **Electrical Workers**

Cable Splicer	21.40
Driver-Special Line Equipment	17.39
Driver-SLE Trainee I	13.56
Driver-SLE Trainee II	14.78
Driver-SLE Trainee III	15.65
Electrician	21.15
Electrician Foreman	23.27
Electrician Head Foreman	25.60
Electrician Welder	21.15

**Electrical Workers (continued)**

Groundman (line crew)	13.55
Groundman Driver	13.70
Groundman Foreman	21.15
Groundman--Maintenance	12.69 <sup>2</sup>
Groundman Trainee--A	9.49
Groundman Trainee--B	10.16
Lineman	21.15
Lineman Foreman	23.27
Right-of-Way Clearing Foreman--Spray	16.92
Substation Const. Foreman	25.60
Transmission Line Const. Foreman	25.60

Health and Welfare Fund	4.30 <sup>1</sup>
Pension Fund--National (3% of the hourly gross wage rate) <sup>1</sup>	
Pension Fund--Local	2.71 <sup>1</sup>

**Iron Workers**

Iron Worker Head Foreman	24.11
Reinforcing Iron Worker	19.93
Reinforcing Iron Worker Foreman	21.92
Reinforcing Iron Worker Subjourneyman	11.96 <sup>2</sup>
Structural Iron Worker	19.93
Structural Iron Worker Foreman	21.92
Structural Iron Worker Sketchman	21.92
Structural Iron Worker Subjourneyman	11.96 <sup>2</sup>
Structural Iron Worker Welder	19.93

Health and Welfare Fund	3.15 <sup>1</sup>
Pension Fund	3.93 <sup>1</sup>
Annuity	0.50 <sup>1</sup>

**Laborers**

Asphalt Raker and Smoother	14.03
Cement Gun Nozzleman	14.58
Chuck Tender	14.43
Concrete Placing Foreman	16.26
Construction Laborer	14.03
Deckhand	14.13
Excavation Foreman	16.26
Flagman	14.33
Form Stripper -- Wrecker	14.03
Jackhammer Operator	14.08
Labor Foreman	16.04
Labor Head Foreman	17.89
Laborer (unclassified)	13.88
Mortar Mixer	14.03
Nuclear Plant Laborer	14.03
Powder Foreman	16.26
Powderman	14.78

**Laborers (continued)**

Power Saw Operator	14.03
Right-of-Way Spray Laborer	14.03
Sewer Foreman	16.04
Substation Yard Laborer	14.03
Track Foreman	16.26
Track Laborer	14.03
Tunnel Laborer	14.53
Tunnel Miner	14.88
Tunnel Miner Foreman	16.37
Wagon Drill Operator	14.53
Watchman	13.88

Health and Welfare Fund	1.90 <sup>1</sup>
Pension Fund	1.35 <sup>1</sup>

**Machinists**

Bolt Threading Machine Operator	16.61
Gas and Diesel Mechanic	22.15
Gas and Diesel Mechanic Foreman	24.37
Gas and Diesel Mechanic Helper	16.61
Gas and Diesel Mechanic Helper II	18.83
Machinist	22.15
Machinist Foreman	24.37
Machinist Head Foreman	26.81
Machinist Utilityman	13.29 <sup>2</sup>
Machinist Welder	22.15
Outside Machinist	22.35
Outside Machinist Foreman	24.59
Outside Machinist Utilityman	13.41 <sup>2</sup>
Outside Machinist Welder	22.35

Health and Welfare Fund	4.01 <sup>1</sup>
-------------------------	-------------------

**Operating Engineers**

<b><u>Group A Equipment Op.</u></b>	19.54
Bulldozer Operator	
Central Concrete Mixing Plant Op.	
Concrete Pump Operator	
Core Drill Operator	
Crane Operator <sup>4</sup>	
Derrick Operator (live boom)	
Dragline Operator	
Dredge Operator	
Equipment Mechanic	
Equipment Mechanic Welder	
Euclid Loader Operator	
Heavy Rotary Drill Operator	
Marine Pilot	
Motor Patrol Grader Operator	
Mucking Machine Operator	

**Operating Engineers (continued)****Group A Equipment Op. (continued)**

Pan Scraper Operator  
Paving Equipment Operator  
Pile Driver Operator  
Power Shovel Operator  
Trenching Machine Operator

**Group B Equipment Op.**

18.69

Cage Hoist Operator  
Central Compressor Plant Operator  
Chief Filter Plant Operator  
Derrick and Dredge Boat Fireman  
Drill Operator  
Elevating Grader Operator  
Hoist Operator  
Locomotive Operator  
Marine Engineer  
Well Point Pump Operator  
Yard Conductor

**Group C Equipment Op.**

17.54

Bituminous Distributor Operator  
Filter Plant Operator  
Grader Operator  
Greaser  
Motor Crane Driver and Oiler  
Mulching Machine Operator  
Portable Concrete Mixer Operator  
Road Roller Operator  
Switchman  
Tractor Operator  
Tunnel Motorman  
Work Boat Operator

**Group D Equipment Op.**

16.78

Conveyor Operator  
Crane Car Operator  
Drill Helper  
Equipment Mechanic Helper  
Fireman  
Grout Pump Operator  
Loading Machine Operator  
Oiler  
Outboard Motorboat Operator  
Portable Compressor Operator  
Pump Operator  
Tractor Operator -- Farm Type  
Trenching Machine Helper  
Welding Machine Operator

**Equipment Operator Foreman**

Central Mixing Plant Foreman 21.49  
Core Drill Foreman 21.49  
Dredge Mate 21.49  
Drill Foreman 20.56  
Equipment Foreman 21.49  
Equipment Mechanic Foreman 21.49  
Greaser Foreman 19.54  
Operating Engineer Head Foreman 23.64

**Operator Trainees**

Central Concrete Mixing Plant Opr.  
Trainee I 16.78  
Trainee II 17.54  
Trainee III 18.69  
Core Drill Operator Trainee I 17.54  
Core Drill Operator Trainee II 18.69  
Marine Pilot Trainee I 17.54  
Marine Pilot Trainee II 18.69

Health and Welfare Fund 3.28 <sup>1</sup>  
Pension Fund 3.12 <sup>1</sup>

**Painters**

Lead-Based Paint Abatement Worker 16.07  
Painter (includes drywall finish & glazier work) 16.07  
Painter Foreman 17.68  
Painter Head Foreman 19.45  
Painter Utilityman 9.64 <sup>2</sup>  
Sign Painter 16.07

Health and Welfare Fund 2.30 <sup>1</sup>  
Pension Fund 2.20 <sup>1</sup>

**Plasterers and Cement Masons**

Cement Mason 20.88  
Cement Mason Foreman 22.97  
Cement Mason Head Foreman 25.27  
Cement Mason Improver 12.53 <sup>2</sup>  
Plasterer 22.88  
Plasterer Foreman 25.17

Health and Welfare Fund 2.00 <sup>1</sup>  
(Cement Masons only)



**Roofers**

Roofer	18.26	
Roofer Foreman	20.09	
Roofer Head Foreman	22.10	
Roofers Helper	13.15	
Roofer Subjourneyman	10.96	<sup>2</sup>
Roofer -- Slate and Tile	18.51	
Roofer Foreman -- Slate and Tile	20.36	
Roofer -- Slate and Tile Subjourneyman	11.11	<sup>2</sup>
Health and Welfare Fund	2.40	<sup>1</sup>
Pension Fund	.75	

**Sheet Metal Workers**

Sheet Metal Worker	21.73	
Sheet Metal Worker Foreman	23.90	
Sheet Metal Worker Head Foreman	26.29	
Sheet Metal Worker Pre-Apprentice	13.04	<sup>2</sup>
Sheet Metal Worker -- Sketchman	23.90	
Sheet Metal Worker Welder	21.73	
Health and Welfare Fund	3.49	<sup>1</sup>
Pension Fund	3.04	<sup>1</sup>
SASMI (3% gross payroll including base wage, H&W, and Pension) <sup>1</sup>		

**Steamfitters**

Lead Burner	23.42	
Plumber	22.03	
Plumber Foreman	24.23	
Plumber Sketchman	24.23	
Production Wkr. Steamfitter Subj'man.	13.22	<sup>2</sup>
Steamfitter	22.03	
Steamfitter Foreman	24.23	
Steamfitter Head Foreman	26.65	
Steamfitter Sketchman	24.23	
Steamfitter Welder	22.03	
Health and Welfare Fund	3.46	<sup>1</sup>
Pension Fund	3.66	<sup>1</sup>
<hr/>		
Sprinkler-Fitter	21.83	
Sprinkler-Fitter Foreman	24.01	
Sprinkler Fitter Head Foreman	26.41	
Health and Welfare Fund	4.72	<sup>1</sup>
Pension Fund	3.57	<sup>1</sup>

**Teamsters**

Garage Attendant	15.54	
Truck Dispatcher	16.12	
Truck Driver I	15.54	<sup>5</sup>
Truck Driver II	15.79	<sup>6</sup>
Truck Driver III	16.04	<sup>7</sup>
Truck Foreman	17.64	
Truck Head Foreman	19.40	
Warehouseman	15.54	
Warehouse Foreman	16.09	

Health and Welfare Fund	3.22	<sup>1</sup>
Pension Fund	\$85/w	<sup>1</sup>
	k	

(For each week in which employee receives at least 20 hours' pay.)

**Multi-Craft**

Diver	26.93	<sup>8</sup>
-------	-------	--------------

**Depth Premium**

0 - 50 ft. No premium
51 - 100 ft. \$1.10 per ft.
101 - 150 ft. \$2.20 per ft.
151 - 200 ft. \$3.30 per ft.
201 - 250 ft. \$4.40 per ft.
251 - 300 ft. \$5.50 per ft.

**Torus Diving Premium**

\$5.50 per calendar day to diver who makes one or more dives in nuclear torus.

Diver Tender	16.16	<sup>8</sup>
Power House Crane Operator	21.15	<sup>9</sup>
Property Maintenance Worker	15.54	<sup>9</sup>
Property Maintenance Foreman	17.09	<sup>9</sup>

## ENDNOTES

1. a. Health and Welfare and Pension Contribution - Health and Welfare and Pension contributions may vary for some crafts by local area from those rates listed in this exhibit. If the work is covered by a Project Agreement, prior to making wage or benefit payments, the contractor and the union involved should communicate to ensure that payment amounts, payment rules, and the name and address of the fund where the payments should be made are correct. (Also, if the work is covered by a Project Agreement, for the instructions in behalf of employees in Iron Workers classifications, the contractor should contact the Iron Worker Council Representative.) If the work is not covered by a Project Agreement, it is permitted that a contractor may make hourly fringe benefit contributions at another rate(s); however, in such case, the hourly wage rate must be adjusted in an amount that provides that the total wage package (wages plus fringe benefit contributions) remain the same.
- b. The rate of contributions to fringe benefit funds is paid at the straight-time rate even during overtime hours worked. During overtime, only the hourly wage rate is multiplied by the overtime multiplier. In other words, the established rate of contributions to fringe benefit funds is paid for hours worked and not hours paid. (**Exceptions:** (1) For all classifications in the Boilermaker classification group, hourly contributions to pension and annuity only are paid on hours paid. (2) For all classifications in the Electrical Workers classification group, hourly contributions to the Pension Fund—National only are paid at 3 percent of the gross hourly wage rate being paid regardless if it is at the straight time or overtime rate. (3) For all classifications in the Sheet Metal Workers classification group, hourly contributions to SASMI only are paid at 3 percent of the gross hourly wage rate being paid regardless if it is at the straight-time or overtime rate, plus 3 percent of the straight-time rate paid to their Health and Welfare and Pension Funds.)
2. In 1983, TVA and the Tennessee Valley Trades and Labor Council agreed to a new series of classifications (Asbestos Worker Subjourneyman, Boilermaker Helper [revised to Boilermaker Subjourneyman 12-97], Bricklayer Improver, Groundman--Maintenance [IBEW], Reinforcing Iron Worker Subjourneyman, Structural Iron Worker Subjourneyman, Machinist Utilityman, Outside Machinist Utilityman, Painter Utilityman, Cement Mason Improver, Roofer Subjourneyman, Roofer--Slate and Tile Subjourneyman, Sheet Metal Worker Pre-Apprentice, and Production Worker Steamfitter Subjourneyman). These classifications are considered as nonjourneymen, and they are not in a training position or a progressive position leading to journeyman status. The total number of apprentices and nonjourneymen in a particular craft is not to exceed 33-1/3 percent of the craft work force. Some of the conditions of the agreement are: They are under the supervision of a general supervisor and the direct supervision of a foreman; they work with journeymen and perform tasks as assigned which do not require journeyman skills; they may be assigned to any work which, in the judgment of management, he/she can perform safely and efficiently; they must be physically able to do the work; and they must have a general knowledge of safe and proper use of handtools.
3. Must be certified under ASME Section 9.
4. For Crane Operator, the following premiums are paid: A premium of \$1.00 per hour above the straight-time rate is paid for all hours when hired to operate the following: (1) cranes with 100 feet of boom, including jib; (2) tower cranes; (3) ringer cranes; or (4) cranes of 91-ton capacity or more.
5. Truck Driver I - Includes: (1) dump trucks 3 cu. yds. and under, struck measure; (2) trucks other than dump trucks with a manufacturer's nominal rating of 3T and under. Does not include trucks covered by the classification Truck Driver III.
6. Truck Driver II - Includes: (1) dump trucks over 3 cu. yds., struck measure, up to and including 6 cu. yds., struck measure; (2) trucks other than dump trucks having a manufacturer's nominal rating of over 3T up to and including 5T. Does not include trucks covered by the classification Truck Driver III.

## ENDNOTES (continued)

7. Truck Driver III - Includes: (1) dump trucks over 6 cu. yds., struck measure; (2) trucks other than dump trucks over 5T; (3) trucks regardless of size having special equipment, such as fuel delivery equipment, dumpsters, mixers, winches (except bumper winches on trucks regardless of size, when used only to help the truck over rough or muddy ground), cargo refrigerating or heating units, etc.; (4) crawler trucks regardless of size; (5) tractor-type trucks of any size; (6) trucks of any size when pulling heavy capacity trailers such as lowboys, vans, mobile health clinic trailers, floats, etc.; (7) right-of-way clearing spray trucks. Does not include trucks covered by the classification Driver--Special Line Equipment. Does not include winch trucks with permanently attached "A" frame or boom when assigned primarily for hoisting for one week or more; under these circumstances, the driver position is classified as Crane Operator.

A premium of 30 cents per hour above the Truck Driver III rate is paid while driving a dual-powered, dual-control 400-ton lowboy. This premium is paid to those drivers actually performing the work described above.

8. This rate is the total wage package which is the total that may be paid when the hourly wage and all fringe contributions, if any, are added together.
9. Receives fringe benefit contributions of the craft from which employed.
10. The Boilermaker Subjourneyman classification Health and Welfare and Pension contributions vary depending on when the individual was first hired by any contractor as a subjourneyman. (For a description of subjourneyman, see Endnote 2).

	<u>First Employed</u>	
	<u>Prior to</u>	<u>After</u>
	<u>11-1-97</u>	<u>11-1-97</u>
Boilermaker Subjourneyman	\$15.66	\$15.66
Health and Welfare Fund <sup>1</sup>	5.77	5.07
Pension (for each hour paid) <sup>1</sup>	5.00	0.00
Annuity (for each hour paid) <sup>1</sup>	1.50	0.00

11. It is agreed that only for work performed under the Project Maintenance and Modification Agreement and only for Fossil and Hydro Power, there is a requirement that 8 ½ cents for each hour worked be contributed to the Boilermaker's MOST Program. (See LRS-41.)

---

## OTHER PAYMENTS

### **For Construction, Maintenance, and Modification of Transmission Facilities Only**

Employees engaged in construction, maintenance, and modification of transmission facilities, whose temporary work location is changed throughout the work area, will be eligible for a subsistence allowance of \$42 (no receipt will be required) for each night when the foreman/supervisor determines that the temporary work location board town is more than 55 miles from the city or town of the employee's permanent residence. In determining mileage, each contractor will utilize a certified program. The foreman/supervisor will determine, to the best of his/her knowledge, the employee did utilize temporary lodging. Employees will be eligible for payment of the travel subsistence allowance if pay is received for productive work on the day following the night of being in travel status and who utilize temporary accommodations. The employee and foreman/supervisor will sign the timesheet certifying that all eligibility requirements are met for the travel subsistence. At any time the contractor specifies that overnight lodging is required, the employee will be paid the subsistence allowance for each night lodging is obtained and occupied while working on that assignment regardless of distance to permanent residence.

Prior to the wage conference in December 2004, either party may give a 30-day notice requiring a termination of this agreement which would require a return to the original agreement language as existed during 2003. Such change would be effected to coincide with the change in the wage package.

## APPRENTICE WAGE RATE SCHEDULE

This structure is intended to help facilitate the identification of the proper wage rates for apprentices. The following ranges accommodate any local apprentice program provided the program has a minimum of four periods and a maximum of ten periods. Apprentice wage rates are determined by selecting the schedule of periods listed below that corresponds to the number of periods in the applicable craft apprenticeship program, locate the period which reflects the current period of the apprentice to be paid, and then applying the percentage listed for that period to the journeyman wage rate for the craft as listed in the preceding schedule of wage rates. NOTE: To determine the appropriate pay for apprentices, the percentages listed below should be applied to journeyman rates published in this wage document. The health and welfare, pension, and annuity contributions identified in the published wage document should be added to the wages as determined in the previous sentences to determine the total package for any given apprentice. This predetermined total wage package may then be used by the local unions to redistribute the wages and fringes as specified in Article XII of the Project Maintenance and Modification Agreement and Article X of the Construction Project Agreement.

All crafts (except Boilermaker)

$\frac{1}{57\%}$	$\frac{2}{70\%}$	$\frac{3}{80\%}$	$\frac{4}{90\%}$
------------------	------------------	------------------	------------------

$\frac{1}{57\%}$	$\frac{2}{66\%}$	$\frac{3}{74\%}$	$\frac{4}{85\%}$	$\frac{5}{90\%}$
------------------	------------------	------------------	------------------	------------------

$\frac{1}{57\%}$	$\frac{2}{63\%}$	$\frac{3}{69\%}$	$\frac{4}{76\%}$	$\frac{5}{83\%}$	$\frac{6}{90\%}$
------------------	------------------	------------------	------------------	------------------	------------------

$\frac{1}{57\%}$	$\frac{2}{62\%}$	$\frac{3}{67\%}$	$\frac{4}{72\%}$	$\frac{5}{78\%}$	$\frac{6}{84\%}$	$\frac{7}{90\%}$
------------------	------------------	------------------	------------------	------------------	------------------	------------------

$\frac{1}{57\%}$	$\frac{2}{61\%}$	$\frac{3}{65\%}$	$\frac{4}{70\%}$	$\frac{5}{75\%}$	$\frac{6}{80\%}$	$\frac{7}{85\%}$	$\frac{8}{90\%}$
------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------

$\frac{1}{57\%}$	$\frac{2}{60\%}$	$\frac{3}{64\%}$	$\frac{4}{68\%}$	$\frac{5}{72\%}$	$\frac{6}{76\%}$	$\frac{7}{80\%}$	$\frac{8}{84\%}$	$\frac{9}{90\%}$
------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------

$\frac{1}{57\%}$	$\frac{2}{60\%}$	$\frac{3}{63\%}$	$\frac{4}{66\%}$	$\frac{5}{70\%}$	$\frac{6}{74\%}$	$\frac{7}{78\%}$	$\frac{8}{82\%}$	$\frac{9}{86\%}$	$\frac{10}{90\%}$
------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	-------------------

Boilermaker only:

		Wage			
		Rate	H&W <sup>1</sup>	Pension <sup>1</sup>	Annuity <sup>1</sup>
1 <sup>st</sup> Period (0-1,000 hrs.)	(75%)	19.58	5.77	.25	1.25
2 <sup>nd</sup> Period	(80%)	20.88	5.77	4.07	1.50
3 <sup>rd</sup> Period	(85%)	22.19	5.77	4.07	1.50
4 <sup>th</sup> Period	(90%)	23.49	5.77	4.07	1.50
5 <sup>th</sup> Period	(95%)	24.80	5.77	4.07	1.50
6 <sup>th</sup> Period	(95%)	24.80	5.77	5.00	1.50

# Exhibit S-1 - WAGE SCHEDULE - Office Supplement

## for Project Agreement and 1851s

Effective First Pay Period Beginning After January 1, 2004

**Scope of work covered:** This document identifies the total wage package (wages plus fringe benefit contributions) to be paid to the employees of contractors performing construction, maintenance, and modification work for TVA on office or other buildings or facilities under either the Construction Project Agreement--Supplement (Exh. S-1) or 1851 (Exh. S-1).

**Notice to Employees:** If you do not receive at least the total of the amounts of pay provided in this document, you should contact your supervisor or your payroll office. If these individuals are unavailable, you may write to TVA's Labor Relations Staff, 400 West Summit Hill Drive (ET 6D), Knoxville, Tennessee 37902-1499, where the matter will be held in confidence.

<b><u>Asbestos Workers</u></b> (Asbestos work includes insulation)		<b><u>Bricklayers (continued)</u></b>	
Asbestos Abatement Worker	13.68	Pension Fund	1.39 <sup>1</sup>
Asbestos Abatement Worker Foreman	15.05		
Asbestos Worker	19.54	<b><u>Carpenters</u></b>	
Asbestos Worker Foreman	21.49	Carpenter	18.07
Asbestos Worker Head Foreman	23.64	Carpenter Foreman	19.88
Asbestos Worker Subjourneyman	9.77 <sup>2</sup>	Carpenter Head Foreman	21.87
		Carpenter Welder	18.07
Health and Welfare Fund	4.26 <sup>1</sup>	Lather (tie-on installation)	18.07
Pension Fund	3.16 <sup>1</sup>	Lather Foreman	19.88
		Millwright	20.64
<b><u>Boilermakers</u></b>		Millwright Foreman	22.70
Blacksmith/Boilermaker	24.80	Millwright Head Foreman	24.97
Blacksmith/Boilermaker Welder	24.80	Millwright Welder	20.64
Boilermaker Certified Pressure Welder	25.55 <sup>3</sup>	Pile Driver	18.32
Boilermaker Assistant Foreman	27.28	Pile Driver Foreman	20.15
Boilermaker Foreman	27.53	Pile Driver Welder	18.32
Boilermaker Erector	30.28	Saw Filer	18.07
Boilermaker Subjourneyman <sup>2</sup> (for wage and fringe rates, see Endnote 9)		Sawyer	18.07
Boilermaker Trainee I	17.36	Health and Welfare Fund	2.95 <sup>1</sup>
Boilermaker Trainee II	19.84	Pension Fund	1.55 <sup>1</sup>
Health and Welfare Fund	5.77 <sup>1</sup>	<b><u>Electrical Workers</u></b>	
Pension Fund (for each hour paid)	5.00 <sup>1</sup>	Cable Splicer	21.40
Annuity (for each hour paid)	1.50 <sup>1</sup>	Driver-Special Line Equip.	17.39
(Apprentice wage, pension, and health & welfare - see page 7)		Driver-SLE Trainee I	13.56
		Driver-SLE Trainee II	14.78
<b><u>Bricklayers</u></b>		Driver-SLE Trainee III	15.65
Bricklayer	21.14	Electrician	21.15
Bricklayer Foreman	23.25	Electrician Foreman	23.27
Bricklayer Head Foreman	25.58	Electrician Head Foreman	25.60
Bricklayer Improver	10.57 <sup>2</sup>	Electrician Welder	21.15
Marble Setter	20.43	Groundman (line crew)	13.55
Stone Mason	21.14	Groundman Driver	13.70
Terrazzo Worker	20.43	Groundman Foreman	21.15
Tile Setter	20.43	Groundman -- Maintenance	12.69 <sup>2</sup>
		Groundman Trainee--A	9.49

**Electrical Workers (continued)**

Groundman Trainee--B	10.16	
Lineman	21.15	
Lineman Foreman	23.27	
Right-of-Way Clearing Foreman--Spray	16.92	
Health and Welfare Fund	4.30	<sup>1</sup>
Pension Fund--National (3% of the hourly gross wage rate) <sup>1</sup>		
Pension Fund--Local	2.71	<sup>1</sup>

**Iron Workers**

Iron Worker Head Foreman	22.89	
Reinforcing Iron Worker	18.92	
Reinforcing Iron Worker Foreman	20.81	
Reinforcing Iron Wkr. Subjourneyman	9.46	<sup>2</sup>
Structural Iron Worker	18.92	
Structural Iron Worker Foreman	20.81	
Structural Iron Worker Sketchman	20.81	
Structural Iron Worker Subjourneyman	9.46	<sup>2</sup>
Structural Iron Worker Welder	18.92	
Health and Welfare Fund	3.15	<sup>1</sup>
Pension Fund	3.93	<sup>1</sup>
Annuity	0.50	<sup>1</sup>

**Laborers**

Asphalt Raker and Smoother	14.03	
Cement Gun Nozzleman	14.58	
Chuck Tender	14.43	
Concrete Placing Foreman	16.26	
Construction Laborer	14.03	
Deckhand	14.13	
Excavation Foreman	16.26	
Flagman	14.33	
Form Stripper -- Wrecker	14.03	
Jackhammer Operator	14.08	
Labor Foreman	16.04	
Labor Head Foreman	17.89	
Laborer (unclassified)	13.88	
Mortar Mixer	14.03	
Nursery Laborer	13.88	
Nursery Laborer Foreman	16.04	
Powder Foreman	16.26	
Powderman	14.78	
Power Saw Operator	14.03	
Right-of-Way Spray Laborer	14.03	
Sewer Foreman	16.04	
Substation Yard Laborer	14.03	
Track Foreman	16.26	
Track Laborer	14.03	

**Laborers (continued)**

Tunnel Laborer	14.53	
Tunnel Miner	14.88	
Tunnel Miner Foreman	16.37	
Wagon Drill Operator	14.53	
Watchman	13.88	
Health and Welfare Fund	1.90	<sup>1</sup>
Pension Fund	1.35	<sup>1</sup>

**Machinists**

Bolt Threading Machine Operator	15.78	
Gas and Diesel Mechanic	21.04	
Gas and Diesel Mechanic Foreman	23.14	
Gas and Diesel Mechanic Helper	15.78	
Gas and Diesel Mechanic Helper II	17.88	
Machinist	21.04	
Machinist Foreman	23.14	
Machinist Head Foreman	25.45	
Machinist Utilityman	10.52	<sup>2</sup>
Machinist Welder	21.04	
Outside Machinist	21.23	
Outside Machinist Foreman	23.36	
Outside Machinist Welder	21.23	
Health and Welfare Fund	4.01	<sup>1</sup>

**Operating Engineers**

<b><u>Group A Equipment Op.</u></b>	18.56	
Bulldozer Operator		
Central Concrete Mixing Plant Op.		
Concrete Pump Operator		
Core Drill Operator		
Crane Operator <sup>4</sup>		
Derrick Operator (live boom)		
Dragline Operator		
Dredge Operator		
Equipment Mechanic		
Equipment Mechanic Welder		
Euclid Loader Operator		
Heavy Rotary Drill Operator		
Marine Pilot		
Motor Patrol Grader Operator		
Mucking Machine Operator		
Pan Scraper Operator		
Paving Equipment Operator		
Pile Driver Operator		
Power Shovel Operator		
Trenching Machine Operator		

<u>Operating Engineers (continued)</u>	
<b><u>Group B Equipment Op.</u></b>	17.76
Cage Hoist Operator	
Central Compressor Plant Operator	
Chief Filter Plant Operator	
Derrick and Dredge Boat Fireman	
Drill Operator	
Elevating Grader Operator	
Hoist Operator	
Locomotive Operator	
Marine Engineer	
Well Point Pump Operator	
Yard Conductor	
<b><u>Group C Equipment Op.</u></b>	16.66
Bituminous Distributor Operator	
Filter Plant Operator	
Grader Operator	
Greaser	
Motor Crane Driver and Oiler	
Mulching Machine Operator	
Portable Concrete Mixer Operator	
Road Roller Operator	
Switchman	
Tractor Operator	
Tunnel Motorman	
Work Boat Operator	
<b><u>Group D Equipment Op.</u></b>	15.94
Conveyor Operator	
Crane Car Operator	
Drill Helper	
Equipment Mechanic Helper	
Fireman	
Grout Pump Operator	
Loading Machine Operator	
Oiler	
Outboard Motorboat Operator	
Portable Compressor Operator	
Pump Operator	
Tractor Operator -- Farm Type	
Trenching Machine Helper	
Welding Machine Operator	
<b><u>Equipment Operator Foreman</u></b>	
Core Drill Foreman	20.42
Dredge Mate	20.42
Drill Foreman	19.54
Equipment Foreman	20.42
Equipment Mechanic Foreman	20.42
Greaser Foreman	18.56
Operating Engineer Head Foreman	22.46

<u>Operating Engineers (continued)</u>	
<b><u>Operator Trainees</u></b>	
Core Drill Operator Trainee I	16.66
Core Drill Operator Trainee II	17.76
Marine Pilot Trainee I	16.66
Marine Pilot Trainee II	17.76
Health and Welfare Fund	3.28 <sup>1</sup>
Pension Fund	3.12 <sup>1</sup>
<b><u>Painters</u></b>	
Painter (includes drywall finish & glazier work)	15.25
Painter Foreman	16.78
Painter Head Foreman	18.46
Painter Utilityman	7.63 <sup>2</sup>
Sign Painter	15.25
Health and Welfare Fund	2.30 <sup>1</sup>
Pension Fund	2.20 <sup>1</sup>
<b><u>Plasterers and Cement Masons</u></b>	
Cement Mason	19.88
Cement Mason Foreman	21.87
Cement Mason Head Foreman	24.06
Cement Mason Improver	9.94 <sup>2</sup>
Plasterer	21.74
Plasterer Foreman	23.91
Health and Welfare Fund (Cement Masons only)	2.00 <sup>1</sup>
<b><u>Roofers</u></b>	
Rofer	17.38
Rofer Foreman	19.12
Rofer Head Foreman	21.03
Roofers Helper	12.51
Rofer Subjourneyman	8.69 <sup>2</sup>
Rofer -- Slate and Tile	17.63
Rofer Foreman -- Slate and Tile	19.39
Rofer -- Slate and Tile Subjourneyman	8.82 <sup>2</sup>
Health and Welfare Fund	2.40 <sup>1</sup>
Pension Fund	.75 <sup>1</sup>
<b><u>Sheet Metal Workers</u></b>	
Sheet Metal Worker	20.64
Sheet Metal Worker Foreman	22.70
Sheet Metal Worker Head Foreman	24.97
Sheet Metal Worker Pre-Apprentice	10.32 <sup>2</sup>
Sheet Metal Worker -- Sketchman	22.70
Sheet Metal Worker Welder	20.64

**Sheet Metal Workers (continued)**

Health and Welfare Fund	3.49	<sup>1</sup>
Pension Fund	3.04	<sup>1</sup>
SASMI (3% gross payroll, including base wage, H&W, and Pension) <sup>1</sup>		

**Multi-Craft**

Property Maintenance Worker	14.71	<sup>8</sup>
Property Maintenance Foreman	16.18	<sup>8</sup>

**Steamfitters**

Lead Burner	22.25	
Plumber	20.93	
Plumber Foreman	23.02	
Plumber Sketchman	23.02	
Production Wkr. Steamfitter Subj'man.	10.47	<sup>2</sup>
Steamfitter	20.93	
Steamfitter Foreman	23.02	
Steamfitter Head Foreman	25.32	
Steamfitter Sketchman	23.02	
Steamfitter Welder	20.93	

Health and Welfare Fund	3.46	<sup>1</sup>
Pension Fund	3.66	<sup>1</sup>

Sprinkler-Fitter	20.74	
Sprinkler-Fitter Foreman	22.81	
Sprinkler Fitter Head Foreman	25.09	

Health and Welfare Fund	4.72	<sup>1</sup>
Pension Fund	3.57	<sup>1</sup>

**Teamsters**

Garage Attendant	14.71	
Truck Dispatcher	15.26	
Truck Driver I	14.71	<sup>5</sup>
Truck Driver II	14.95	<sup>6</sup>
Truck Driver III	15.18	<sup>7</sup>
Truck Foreman	16.70	
Truck Head Foreman	18.37	
Warehouseman	14.71	
Warehouse Foreman	15.23	

Health and Welfare Fund	3.22	<sup>1</sup>
Pension Fund	\$85/wk	<sup>1</sup>

(For each week in which employee  
receives at least 20 hours' pay.)



## ENDNOTES

1. a. Health and Welfare and Pension Contribution - Health and Welfare and Pension contributions may vary for some crafts by local area from those rates listed in this exhibit. If the work is covered by a Project Agreement, prior to making wage or benefit payments, the contractor and the union involved should communicate to ensure that payment amounts, payment rules, and the name and address of the fund where the payments should be made are correct. (Also, if the work is covered by a Project Agreement, for the instructions in behalf of employees in Iron Workers classifications, the contractor should contact the Iron Worker Council Representative.) If the work is not covered by a Project Agreement, it is permitted that a contractor may make hourly fringe benefit contributions at another rate(s); however, in such case, the hourly wage rate must be adjusted in an amount that provides that the total wage package (wages plus fringe benefit contributions) remain the same.
- b. The rate of contributions to fringe benefit funds is paid at the straight-time rate even during overtime hours worked. During overtime, only the hourly wage rate is multiplied by the overtime multiplier. In other words, the established rate of contributions to fringe benefit funds is paid for hours worked and not hours paid. (**Exceptions:** (1) For all classifications in the Boilermaker classification group, hourly contributions to pension and annuity only are paid on hours paid. (2) For all classifications in the Electrical Workers classification group, hourly contributions to the Pension Fund—National only are paid at 3 percent of the gross hourly wage rate being paid regardless if it is at the straight time or overtime rate. (3) For all classifications in the Sheet Metal Workers classification group, hourly contributions to SASMI only are paid at 3 percent of the gross hourly wage rate being paid regardless if it is at the straight-time or overtime rate, plus 3 percent of the straight-time rate paid to their Health and Welfare and Pension Funds.)
2. In 1983, TVA and the Tennessee Valley Trades and Labor Council agreed to a new series of classifications (Asbestos Worker Subjourneyman, Boilermaker Helper [revised to Boilermaker Subjourneyman 12-97], Bricklayer Improver, Groundman--Maintenance [IBEW], Reinforcing Iron Worker Subjourneyman, Structural Iron Worker Subjourneyman, Machinist Utilityman, Painter Utilityman, Cement Mason Improver, Roofer Subjourneyman, Roofer--Slate and Tile Subjourneyman, Sheet Metal Worker Pre-Apprentice, and Production Worker Steamfitter Subjourneyman). These classifications are considered as nonjourneymen, and they are not in a training position or a progressive position leading to journeyman status. The total number of apprentices and nonjourneymen in a particular craft is not to exceed 50 percent of the craft work force. Some of the conditions of the agreement are: They are under the supervision of a general supervisor and the direct supervision of a foreman; they work with journeymen and perform tasks as assigned which do not require journeyman skills; they may be assigned to any work which, in the judgment of management, he/she can perform safely and efficiently; they must be physically able to do the work; and they must have a general knowledge of safe and proper use of handtools.
3. Must be certified under ASME Section 9.
4. For Crane Operator, the following premiums are paid: A premium of \$1.00 per hour above the straight-time rate is paid for all hours when hired to operate the following: (1) cranes with 100 feet of boom, including jib; (2) tower cranes; (3) ringer cranes; or (4) cranes of 91-ton capacity or more.
5. Truck Driver I - Includes: (1) dump trucks 3 cu. yds. and under, struck measure; (2) trucks other than dump trucks with a manufacturer's nominal rating of 3T and under. Does not include trucks covered by the classification Truck Driver III.
6. Truck Driver II - Includes: (1) dump trucks over 3 cu. yds., struck measure, up to and including 6 cu. yds., struck measure; (2) trucks other than dump trucks having a manufacturer's nominal rating of over 3T up to and including 5T. Does not include trucks covered by the classification Truck Driver III.
7. Truck Driver III - Includes: (1) dump trucks over 6 cu. yds., struck measure; (2) trucks other than dump trucks over 5T; (3) trucks regardless of size having special equipment, such as fuel delivery equipment, dumpsters, mixers, winches (except bumper winches on trucks regardless of size, when used only to help

## ENDNOTES (continued)

the truck over rough or muddy ground), cargo refrigerating or heating units, etc.; (4) crawler trucks regardless of size; (5) tractor-type trucks of any size; (6) trucks of any size when pulling heavy capacity trailers such as lowboys, vans, mobile health clinic trailers, floats, etc.; (7) right-of-way clearing spray trucks. Does not include trucks covered by the classification Driver--Special Line Equipment. Does not include winch trucks with permanently attached "A" frame or boom when assigned primarily for hoisting for one week or more; under these circumstances, the driver position is classified as Crane Operator.

A premium of 30 cents per hour above the Truck Driver III rate is paid while driving a dual-powered, dual-control 400-ton lowboy. This premium is paid to those drivers actually performing the work described above.

8. Receives fringe benefit contributions of the craft from which employed.
9. The Boilermaker Subjourneyman classification Health and Welfare and Pension contributions vary depending on when the individual was first hired by any contractor as a subjourneyman. (For a description of subjourneyman, see Endnote 2).

	<u>First Employed</u>	
	<u>Prior to</u>	<u>After</u>
	<u>11-1-97</u>	<u>11-1-97</u>
Boilermaker Subjourneyman	\$14.88	\$14.88
Health and Welfare Fund <sup>1</sup>	5.77	5.07
Pension (for each hour paid) <sup>1</sup>	5.00	0.00
Annuity (for each hour paid) <sup>1</sup>	1.50	0.00

## APPRENTICE WAGE RATE SCHEDULE

This structure is intended to help facilitate the identification of the proper wage rates for apprentices. The following ranges accommodate any local apprentice program provided the program has a minimum of four periods and a maximum of ten periods. Apprentice wage rates are determined by selecting the schedule of periods listed below that corresponds to the number of periods in the applicable craft apprenticeship program, locate the period which reflects the current period of the apprentice to be paid, and then applying the percentage listed for that period to the journeyman wage rate for the craft as listed in the preceding schedule of wage rates. **NOTE:** To determine the appropriate pay for apprentices, the percentages listed below should be applied to journeyman rates **published** in this wage document. The health and welfare, pension, and annuity contributions identified in the **published** wage document should be added to the wages as determined in the previous sentences to determine the total package for any given apprentice. This predetermined total wage package may then be used by the local unions to redistribute the wages and fringes as specified in Article XII of the Project Maintenance and Modification Agreement and Article X of the Construction Project Agreement.

All crafts (except Boilermaker)

<u>1</u> 57%	<u>2</u> 70%	<u>3</u> 80%	<u>4</u> 90%
-----------------	-----------------	-----------------	-----------------

<u>1</u> 57%	<u>2</u> 66%	<u>3</u> 74%	<u>4</u> 85%	<u>5</u> 90%
-----------------	-----------------	-----------------	-----------------	-----------------

<u>1</u> 57%	<u>2</u> 63%	<u>3</u> 69%	<u>4</u> 76%	<u>5</u> 83%	<u>6</u> 90%
-----------------	-----------------	-----------------	-----------------	-----------------	-----------------

<u>1</u> 57%	<u>2</u> 62%	<u>3</u> 67%	<u>4</u> 72%	<u>5</u> 78%	<u>6</u> 84%	<u>7</u> 90%
-----------------	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------

<u>1</u> 57%	<u>2</u> 61%	<u>3</u> 65%	<u>4</u> 70%	<u>5</u> 75%	<u>6</u> 80%	<u>7</u> 85%	<u>8</u> 90%
-----------------	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------

<u>1</u> 57%	<u>2</u> 60%	<u>3</u> 64%	<u>4</u> 68%	<u>5</u> 72%	<u>6</u> 76%	<u>7</u> 80%	<u>8</u> 84%	<u>9</u> 90%
-----------------	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------

<u>1</u> 57%	<u>2</u> 60%	<u>3</u> 63%	<u>4</u> 66%	<u>5</u> 70%	<u>6</u> 74%	<u>7</u> 78%	<u>8</u> 82%	<u>9</u> 86%	<u>10</u> 90%
-----------------	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------	------------------

Boilermaker only:

		Wage			
		Rate	H&W <sup>1</sup>	Pension <sup>1</sup>	Annuity <sup>1</sup>
1 <sup>st</sup> Period (0-1,000 hrs.)	(75%)	18.60	5.77	.25	1.25
2 <sup>nd</sup> Period	(80%)	19.84	5.77	4.07	1.50
3 <sup>rd</sup> Period	(85%)	21.08	5.77	4.07	1.50
4 <sup>th</sup> Period	(90%)	22.32	5.77	4.07	1.50
5 <sup>th</sup> Period	(95%)	23.56	5.77	4.07	1.50
6 <sup>th</sup> Period	(95%)	23.56	5.77	5.00	1.50